

571—15.2(483A) License depositaries.

15.2(1) *Depositary designation.* The director may designate a retail business establishment, an office of a government entity, or a nonprofit corporation as a depositary for the sale of hunting and fishing licenses in accordance with the provisions of this rule.

15.2(2) *Application.* Application forms may be secured by a written or verbal request to the Department of Natural Resources, Wallace State Office Building, Des Moines, Iowa 50319; telephone (515)281-8688. Requests for forms may be made through department field staff or field officers. The applicant must provide the following information on the form:

- a. The name of the retail business establishment, government entity, or nonprofit corporation, and location(s) and telephone numbers.
- b. A general description of the type of retail business establishment, government entity, or nonprofit corporation.
- c. The form of ownership if a retail business establishment. If a partnership, the full names and addresses of all partners must be provided. If a corporation, the date and state of incorporation must be provided.
- d. If a government entity, the name and title of the responsible official.
- e. If a nonprofit corporation, the date and state of incorporation.
- f. The hours and days open to the public.
- g. The office and residence telephone number of the person signing the application.
- h. The name, address, and telephone number of three credit references, including the bank used by the retail business establishment, government entity, or nonprofit corporation.

The application forms contain a statement to be signed agreeing to the terms and conditions as set forth in this rule. The application must be signed by the owner if a sole proprietorship; by a partner if a partnership; if a corporation, by an authorized corporate official; or by the elected or appointed official administratively in charge of the government entity. The signature must be attested to by a notary public.

15.2(3) *Security.* The applicant must provide security, either a surety bond from an association or corporation which does the business of assuring the fidelity of others, and which has the authority by law to do business in this state, a collateral assignment of a certificate of deposit, or a letter of credit.

a. *Condition of security.* A surety bond shall generally provide that the applicant render a true account of, and turn over all moneys, license blanks, and duplicates when requested to do so by the director or an authorized representative, and to comply with all applicable provisions of the application, the Iowa Administrative Code, and the Iowa Code.

b. *Amount of security.* All forms of security shall be in the amount of \$5,000 each, or a larger amount as jointly agreed to by the agency and the depositary.

c. *Term of bond.* The bond shall run continuously from the date the application is approved.

d. *Termination of bond.* The surety or principal may terminate the bond at any time by sending written notice by certified mail, return receipt requested, to the Director, Department of Natural Resources, Wallace State Office Building, Des Moines, Iowa 50319. The termination shall become effective 30 days after the receipt of the notice by the director.

e. *Collateral assignment of a certificate of deposit and letters of credit.* Collateral assignments of certificates of deposit and letters of credit shall be subject to the following terms and conditions:

(1) Certificates of deposit shall be assigned to the department, in writing, and the assignment shall be recorded on the books of the bank issuing the certificate.

(2) Banks issuing these certificates shall waive all rights of setoff or liens which they have or might have against these certificates.

(3) Certificates of deposit shall be automatically renewed unless the director approves release of the funds in writing. Letters of credit shall be without reservation and shall remain in effect continuously, or as otherwise agreed to by the director.

(4) The director will release the certificates of deposit or approve the cancellation of a letter of credit upon termination of a license depositary agreement if all licenses and moneys have been accounted for satisfactorily, or if the depositary provides a satisfactory surety bond in lieu thereof.

15.2(4) *Approval of application and security.* The director will approve the application upon the receipt of a satisfactory bond, a collateral assignment of deposit, or a letter of credit and a determination that the credit references are satisfactory. However, the director reserves the right not to approve any application received from a party whose depositary agreement has previously been terminated by the department for cause. Upon approval by the director, the agency will provide the depositary with license blanks, reporting forms, and instructions.

15.2(5) *Depositary reporting standards.* All depositaries shall comply with the following reporting standards:

a. Monthly reports. A full and complete monthly sales report, including duplicate copies of the licenses sold and a check or other monetary instrument in the amount due shall be remitted to the department on a prescheduled due date of the following month. A depositary which does not provide the monthly report to the department within 10 days after the due date shall be considered seriously delinquent. However, if the office or business is operated on a seasonal basis, a monthly report is not required for any month that the office or business is not open to the public.

b. Annual report. The annual report for all sales for the calendar year and including the return of all unused license blanks shall be remitted to the department by January 31 of each year. An annual report shall also be submitted at the time a depositary is terminated for any reason during the calendar year. This report must be received within 15 days after the director receives the notice of termination. A depositary will be considered seriously delinquent if the annual report is not received by February 15.

c. Accountability. The depositary shall be fully accountable to the state for all proceeds collected from the sale of licenses. This accountability shall not be diminished by reason of bankruptcy, fire loss, theft loss, or other similar reason.

d. Probation. A depositary shall be placed on probation by a notice sent by certified mail, return receipt requested, when any of the following circumstances occur:

(1) A depositary is seriously delinquent for the second time during any consecutive six-month period.

(2) A depositary fails to correct a serious delinquency within ten days.

(3) A check is returned by the bank by reason of insufficient funds.

The probation will be automatically canceled after six months of satisfactory performance.

e. Termination of depositary. A depositary may terminate the agreement at any time by notifying the director by certified mail, return receipt requested. The termination shall be effective 30 days after the receipt of the notice by the director, and after the depositary has fully accounted for all moneys and unused license blanks. The director may terminate the depositary agreement and require an immediate and full accounting of all moneys and unused license blanks under any of the following circumstances:

(1) The occurrence of a third serious delinquency during any consecutive six-month period.

(2) Not making an insufficient funds check good within 10 days after proper notice by the director.

(3) Failure to correct a serious delinquency within 15 calendar days.

(4) Knowingly placing a date, other than the correct date, on any license.

(5) Knowingly selling a resident license to a nonresident, or selling a senior citizen or disabled license to a person not qualified for such license.

(6) Charging more than the statutory writing fee.

(7) Refusal to sell a license to any individual by reason of race, creed, nationality, or religion.

(8) Expiration or cancellation of bond, certificate of deposit, or letter of credit.

(9) A depositary fails to make a full and complete monthly sales report and monthly remittance.

(10) A depositary, or employee of a depositary, knowingly makes a false entry on any license being sold, or knowingly issues any license to a person to whom issuance of that license is improper.

15.2(6) *Multiple establishment locations.* An application and security may be submitted for retail business establishments with multiple locations. For purposes of reporting and for determining the amount of the security, each application will be considered on a case-by-case basis and as mutually agreed upon by the depositary and the director.

15.2(7) *Forms for application, bond, monthly report and collateral as assignment.* Copies of required forms which shall be used may be obtained by writing the License Bureau, Department

of Natural Resources, Wallace State Office Building, Des Moines, Iowa 50319; or by calling (515)281-8688.